



DEPARTMENT OF THE NAVY
OFFICE OF THE ASSISTANT SECRETARY
(FINANCIAL MANAGEMENT AND COMPTROLLER)
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WASHINGTON, D.C. 20390-1000

JUL 17 2000

MEMORANDUM FOR DISTRIBUTION

Subj: USE OF COMMAND FUNDS TO SUPPORT OPNAV

It has come to my attention that the Systems Commands (SYSCOMS) are issuing reimbursable orders to the Director, Field Support Activity, N09BF, citing their Operation and Maintenance (O&M,N) and Research Development Test and Evaluation (RDT&E,N) funds to support the administrative functions of the Office of the Chief of Naval Operations (OPNAV). This support includes travel, supplies, and in one case, voice mail service. These costs are clearly directly related to the mission of OPNAV and should be budgeted by the Director, Field Support Activity, with input from the OPNAV staff. Appropriately addressing these requirements during development of the Program Objectives Memorandum and the Budget will preclude the SYSCOMS from having to provide funding for these requirements in the execution year. The issuance of these reimbursable orders creates an unnecessary paperwork burden, increases the likelihood of unmatched disbursements within the accounting system due to the circuitous routing of the funds, results in unnecessary accounting costs and is not consistent with sound financial and resource allocation practices.

My staff has collected data on this practice only in relation to the SYSCOMS. Accordingly, by 21 July 2000, the Director, Field Support Activity should identify funding received from other organizations to support OPNAV administrative functions. In the upcoming budget review, appropriate adjustments will be made to properly align the funding currently being provided by others to OPNAV.

Addressees should discontinue the practice of issuing reimbursable orders to support OPNAV no later than 4 August 2000. This includes the acceptance of all such orders.

CHARLES P. NEMFAKOS
Senior Civilian Official